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TO RUEHC/SECSTATE WASHDC PRIORITY 0126
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
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RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 3285
RUEHBJ/AMEMBASSY BEIJING 1100
RUEHKO/AMEMBASSY TOKYO 0971
RUEHIT/AMCONSUL ISTANBUL 1540
RUEATRS/DEPT OF TREASURY WASHDC
RHEHNSC/NSC WASHDC
RUCPDOG/DEPT OF COMMERCE WASHDC
RHMFIUU/CDR USCENCOM MACDILL AFB FL
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RUEKJCS/JOINT STAFF WASHDC
RUEKJCS/SECDEF WASHINGTON DC
RUEHVEN/USMISSION USOSCE 2138

UNCLAS SECTION 01 OF 02 ASHGABAT 000116

SIPDIS

SENSITIVE
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STATE FOR SCA/CEN, EEB
USAID/W FOR EE/AA

E.O. 12958: N/A
TAGS: [PGOV](#) [PREL](#) [ECON](#) [EIND](#) [SOCI](#) [TX](#)
SUBJECT: TURKMENISTAN'S CONSTRUCTION MINISTRY SHOWS
POTENTIAL FOR ASSISTANCE

REF: A. 07 ASHGABAT 1398

[1](#)B. 07 ASHGABAT 0968
[1](#)C. 07 ASHGABAT 1146
[1](#)D. 07 ASHGABAT 1348

[1](#)1. (U) Sensitive but unclassified. Not for public Internet.

[1](#)2. (SBU) SUMMARY: During a January 7 meeting at Turkmenistan's Ministry of Construction and Construction Materials Industry, officials representing all departments expressed enthusiasm about learning from the U.S. experience, especially in the areas of urban planning and construction technology. Officials also want U.S. firms to invest and compete in tenders in the planned Avaza Free Tourism Zone on the Caspian Sea. Ministry officials also said they wanted to build new mosques with a capacity of 2500 worshippers in each of Turkmenistan's major metropolitan areas. Commerce and Treasury Department assistance in moving away from Soviet Gosplan-style finance and budgeting and in transparent contracting methods would be useful. END SUMMARY.

RURAL AND PROVINCIAL DEVELOPMENT A PRIORITY

[1](#)3. (SBU) Acknowledging President Berdimuhamedov's commitment to rural development, officials from the Ministry of Construction and Construction Materials Industry told EmbOff January 7 that construction of buildings used for community activities continues apace in all five provinces. Cultural centers, kindergartens, hospitals and maternity centers, theaters, and people's council buildings remain a priority, but they are also working on plans to build new municipal offices, sports facilities, medical offices, and other improvements. Ministry officials also said they wanted to build new mosques with a capacity of 2500 worshippers in each of Turkmenistan's major metropolitan areas. (NOTE: Turkish businessman Ahmet Chalik has told the president he will fund the building of one such mosque in the northern province of

Dashoguz (Ref A). END NOTE.) The Ministry is also constructing two-story dwellings in the countryside that are more appropriate in rural areas. (NOTE: The president subsequently signed a decree on January 11 offering loans to build such houses with very favorable terms. END NOTE.) Ministry officials mentioned the development of the Avaza Free Tourism Zone on the Caspian Sea and pushed hard several times for U.S. participation in its projects (Ref. B). Due to the planners' continued focus on state -- rather than private -- ownership, however, U.S. companies are unlikely to participate in these projects, unless we can turn around Turkmen officials' thinking.

ASHGABAT CITY

14. (SBU) In July 2007, French construction firm Bouygues presented To Berdimuhamedov its concept for a development plan for Archabil Avenue, on the largely undeveloped southern edge of the capital, called "Ashgabat City." According to press reports, Ashgabat City would include new structures and natural elements such as a television tower, fountains, statues of Turkmen historical figures, a lake, a 200-meter-tall "Altyn Asyr" (Golden Age) skyscraper, additional government buildings, a golf course, and more apartment blocks. (NOTE: We had heard previously that Berdimuhamedov planned to add statues of Turkmen historical figures to city parks and developments - a real departure from former president Niyazov, who mostly built monuments to himself (Ref. C). END NOTE.) Officials at the Ministry of Construction, which will oversee the implementation of this Epcot Center-like plan, expect Turkmengosproyekt (Turkmen State Planning) to complete a prospectus for Ashgabat City soon.

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OTHER PRIORITIES: INCREASING DOMESTIC PRODUCTION OF CONSTRUCTION MATERIALS

15. (SBU) To increase the quality and quantity of domestically produced construction materials, the Ministry is undertaking a number of projects designed to improve access to building materials. These include constructing a factory for cement that contains gas and is lighter, using technology available only in Europe and the United States, and building a new granite factory with high-quality Italian equipment that will be the most advanced granite factory in the region.

16. (SBU) COMMENT: This meeting with the Ministry of Construction was the first in several years, and officials attributed their new willingness to meet to President Berdimuhamedov's calls for greater cooperation with foreign countries and international organizations. Throughout the meeting, ministry officials stressed that they welcomed cooperation with the United States, and we believe their comments to be genuine. Areas in which the United States could provide technical assistance to the Ministry include urban planning, municipal construction codes, and construction techniques in earthquake zones. With more demolitions ahead, best practices and proper compensation for seizure of real estate holdings could be part of assistance on urban planning. Finally, since construction reportedly remains Turkmenistan's most corrupt sector (Ref. D), Commerce and Treasury Department assistance in moving away from Soviet Gosplan-style finance and budgeting and in transparent contracting methods would be useful. END COMMENT.

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